



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a Resolution Accepting the San Joaquin Continuum of Care Homeless Emergency Aid Program Grant and Appropriating Funds (\$1,250,000)

MEETING DATE: May 1, 2019

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Adopt a Resolution accepting the San Joaquin Continuum of Care Homeless Emergency Aid Program grant and appropriating funds (\$1,250,000).

BACKGROUND INFORMATION: The City received notice on December 13, 2018, that the San Joaquin Continuum of Care (SJCoC) awarded the City \$1,250,000 in Homeless Emergency Aid Program (HEAP) grant funds for its proposed tiny-home permanent supportive housing project.

California is in the midst of a homelessness crisis. To support the development of local solutions to address immediate needs, the California legislature has allocated \$500 million in noncompetitive block grant funds for distribution statewide based on the January 2017 Point in Time Count figures reported by California Continuums of Care. By this formula, in 2018, the SJCoC received \$7.1 million in one-time HEAP grant funds from California's Business, Consumer Services, and Housing Agency. As required by HEAP, the SJCoC is responsible for accepting project proposals from eligible organizations throughout the county and applying for funds on behalf of those organizations with the agency.

The City of Lodi is experiencing a crisis with its homeless population. Over the last few years, the City has seen an increase in the number of sheltered and unsheltered homeless individuals. Many of Lodi's unsheltered homeless individuals face challenges with mental illness and addiction; plus, those in temporary shelters have difficulty finding affordable and safe permanent housing. The City's Committee on Homelessness meets monthly to look for solutions among members and collaborates with the SJCoC on homeless initiatives. Beginning in 2017, the City Police Department's Homeless Liaison Officer and several volunteers have provided one-on-one assistance to those facing homelessness as well. In an attempt to address this crisis collectively, the City held a town hall meeting in October 2018 to gather various stakeholders and residents to discuss issues and solutions.

When the SJCoC announced HEAP notice of funding availability, the Lodi Improvement Committee members reviewed and evaluated, along with input from the town hall meeting and several homeless service providers, potential projects that would assist Lodi's homeless population while fitting within the grant guidelines. The Committee recommended that the City pursue a tiny-homes permanent supportive housing project. The City then entered into an agreement with consultant Michael Baker International to submit an application; as required of the application, the City approved a declaration of shelter crisis in Lodi.

APPROVED:


Stephen Schwabauer, City Manager

The City's proposed project will create approximately five units of permanent supportive housing for homeless individuals and families or those at risk of homelessness. This supportive housing will help homeless individuals/families move from emergency shelters, motel voucher and transitional housing programs, or off the streets into long-term, affordable housing where they can continue their progress toward stable and independent living. The project will receive tenant referrals from local organizations including Salvation Army, Lodi House, and Women's Center, as well as the Housing Authority of the County of San Joaquin (HACSJ). HACSJ will supply housing choice vouchers to tenants. Consistent with the Housing First Model, as required by HEAP, a tenant's occupancy will not be contingent upon screening practices nor participation in a program; furthermore, the HACSJ's housing choice voucher program's eligibility criteria is consistent with the Housing First Model. That said, volunteer supportive housing services will be available for tenants, and tenants will sign lease agreements that include appropriate maintenance of each unit. The City has partnered with HACSJ to manage the construction of this project. Also, the City will own the land for the project site and the HACSJ will own and manage the tiny homes project similar to its other housing properties.

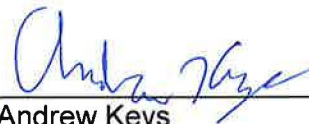
The tiny homes project is estimated to cost a total of \$1,867,942. Of this amount, \$400,000 is allocated for property acquisition, \$1,250,442 in site improvement and construction costs, \$210,000 in project management and coordination (\$160,000 is HACSJ donated staff time), and \$7,500 in donated landscaping and household furnishings. The SJCoC grant of \$1,250,000 will cover approximately 67 percent of these project costs—specifically, the construction and property acquisition. City funds will be used to cover \$53,500 in project coordination and building/planning fees, and \$125,000 in energy-efficient appliances from Electric Utility's Community Benefit Fund; HACSJ funds will cover \$160,000 for project management; CDBG or other funds will be used to cover property acquisition costs that are not fully covered by the HEAP grant; and the City anticipates receiving \$7,500 in donated landscaping and furnishing. HEAP grant funds must be expended by June 30, 2021, and half of those funds must be contractually obligated by January 1, 2020.

FISCAL IMPACT:

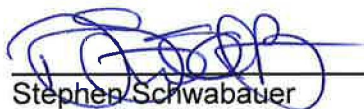
The HEAP grant will provide \$1,250,000 in funds to cover project costs. Of the remaining costs, the City will use building funds (\$3,500), general funds (\$50,000), Electric Utility's Community Benefit Fund (\$125,000), and part of its annual CDBG allocation (\$271,942). Additionally, HACSJ will pay for its own staff time in the managing of this project (\$160,000); plus, private donations (\$75,000) are anticipated.

FUNDING AVAILABLE:

San Joaquin Continuum of Care Homeless Emergency Aid Program (HEAP) Grant



Andrew Keys
Deputy City Manager/Internal Services Director



Stephen Schwabauer
Community Development Director

Attachments:

- A. SJCoC and City of Lodi – HEAP Subrecipient Agreement



Office of the County Administrator

Monica Nino, County Administrator

Jerry Becker, Assistant County Administrator

April 1, 2019

MEMORANDUM

TO: Stephen Schwabauer, Authorized Representative
FROM: Adam Cheshire, Program Administrator – Homeless Initiatives
SUBJECT: Homeless Emergency Aid Program Sub-Recipient Agreement

Enclosed you will find the agreement including all attachments executing your project using Homeless Emergency Aid Program funds as allocated by the San Joaquin Continuum of Care. Please review each section carefully, then sign, date and/or initial where indicated.

Please **scan** the signed, dated and initialed agreement and send to me at:

acheshire@sigov.org

Please also **return the original with wet signatures** to me at:

County Administration Building
44 North San Joaquin Street
Sixth Floor, Suite 640
Stockton, CA 95202
ATTN: Adam Cheshire

You may begin using funds immediately following the execution of this agreement. **Prior to using funds**, please contact Chris Becerra at cbecerra@sigov.org or (209) 468-3157. Should you have any other questions or need assistance, please do not hesitate to contact me.

Thank you,

Adam Cheshire
Program Administrator – Homeless Initiatives
San Joaquin County

**SUBRECIPIENT AGREEMENT FOR SAN JOAQUIN CONTINUUM OF CARE CA-511
HOMELESS EMERGENCY AID PROGRAM (HEAP) FUNDING FOR FY 2019-2020**

THIS AGREEMENT entered into, by and between San Joaquin County, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and The City of Lodi, hereinafter referred to as "SUBRECIPIENT". Collectively "COUNTY" and "SUBRECIPIENT" are the "Parties."

The term of this Agreement is the date of the EFFECTIVE DATE through and including October 31, 2021.

The COUNTY is hereby awarding SUBRECIPIENT an amount not to exceed: \$1,250,000 (the FUNDS) as applied for by SUBRECIPIENT in its San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program Application (SUBRECIPIENT'S APPLICATION) submitted to COUNTY on November 16, 2018, which is hereby made part of this Agreement.

SUBRECIPIENT shall expend 100 percent of the FUNDS pursuant to this Agreement prior to June 30, 2021. Any of the FUNDS not expended by SUBRECIPIENT by that date shall be returned to the COUNTY for reversion to the State pursuant to Health and Safety Code Section 50215.

The Parties agree to comply with the terms and conditions of the following Exhibits, which are hereby made part of this Agreement:

EXHIBIT A: Authority, Purpose, and Scope of Work

EXHIBIT B: Budget Detail and Payment Provisions

EXHIBIT C: Terms and Conditions

EXHIBIT D: Special Terms and Conditions

Total number of pages attached: 22

The effective date of this Agreement shall be the date the last of the Parties signs this Agreement (the EFFECTIVE DATE).

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto.

SUBRECIPIENT's NAME:


Date Signed: _____

BY: (Authorized signature) _____

Printed Name and Title of Person Signing _____

SAN JOAQUIN COUNTY:

Date Signed: April 1, 2019

BY: (Authorized signature)  _____

Adam Cheshire – Program Administrator – Homeless Initiatives

Approved as to Form:

JANICE D. MAGDOCH
City Attorney



SUBRECIPIENT AGREEMENT EXHIBIT A

AUTHORITY, PURPOSE, AND SCOPE OF WORK

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit A.

1. AUTHORITY:

- A. The State has established HEAP under Chapter 5 (Commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018).
- B. HEAP is administered by the California Homeless Coordinated and Financing Council (Council) in the Business, Consumer Services and Housing Agency (Agency).
- C. The Agency provides one-time flexible block grant funds to Administrative Entities as defined in the September 5, 2018, HEAP Notice of Funding Availability (NOFA).
- D. HEAP Objectives are to benefit the emergency needs of homeless individuals, and aid individuals at imminent risk of homelessness, as defined in Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018).
- E. COUNTY applied for and received HEAP grant funds and is the recognized Administrative Entity (AE) as provided for by HEAP and defined in the September 5, 2018, HEAP NOFA. Therefore, the COUNTY will administer and distribute HEAP funds allocated to the COUNTY.
- F. Based on SUBRECIPIENT's APPLICATION COUNTY determined that SUBRECIPIENT is eligible and qualified as a subrecipient for HEAP funds to be spent in a manner that will meet the HEAP Objectives.
- G. In entering into this Agreement and accepting the FUNDS, SUBRECIPIENT agrees to comply with the terms and conditions of this Agreement, the SUBRECIPIENT APPLICATION, the NOFA under which the SUBRECIPIENT applied, and the requirements of HEAP.

2. PURPOSE

The purpose of this Agreement is to pass through HEAP one-time block grant funding awarded to the COUNTY to the SUBRECIPIENT to spend in a manner that is consistent with the HEAP Objectives within San Joaquin County.

3. DEFINITIONS

Terms in this Agreement have the same meaning as the definitions set forth in the HEAP NOFA.

4. DISBURSEMENT

COUNTY shall disburse HEAP funds to SUBRECIPIENT in an amount not to exceed \$1,250,000 (the "FUNDS") pursuant to SUBRECIPIENT AGREEMENT Exhibit D upon submission by SUBRECIPIENT of a Subrecipient Request for Funds Form (RFF).

5. SCOPE OF WORK

The Scope of Work for this Agreement includes the SUBRECIPIENT's expending of the FUNDS after disbursement on one-time uses that are consistent with HEAP, Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018) as detailed in the SUBRECIPIENT APPLICATION Project Budget, compliant with this Agreement, and to the satisfaction of the COUNTY.

Any use of the FUNDS on housing-related activities including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing, and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).

6. COUNTY CONTRACT COORDINATOR

COUNTY contract coordinator for this Agreement is the County's Neighborhood Preservation Management Analyst or designee. All notices, reports, or other communication required pursuant to this Agreement shall be emailed and mailed by first class mail as follows, unless the SUBRECIPIENT is otherwise directed in writing by the County:

Christine Becerra, Management Analyst III
1810 E Hazelton Ave, Stockton, CA 95205, Stockton, CA 95202
cbecerra@sgjov.org
(209) 468-3157

7. SUBRECIPIENT's CONTRACT COORDINATOR

SUBRECIPIENT's contract coordinator for this Agreement is identified below. All notices, reports, or other communication required pursuant to this Agreement shall be emailed and mailed by first class mail as follows, unless the COUNTY is otherwise directed in writing by SUBRECIPIENT:

SUBRECIPIENT's Authorized Representative Name:	
Address:	
Phone:	
Email:	

**SUBRECIPIENT AGREEMENT
EXHIBIT B**

BUDGET DETAIL AND PAYMENT PROVISIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit B.

1. BUDGET DETAIL:

SUBRECIPIENT agrees that the FUNDS shall be expended on one-time uses that are consistent with HEAP, Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018) as detailed in the SUBRECIPIENT APPLICATION Project Budget, compliant with this Agreement, and to the satisfaction of the COUNTY.

2. CONDITIONS PRIOR TO DISBURSEMENT:

Prior to COUNTY's disbursement of the FUNDS, SUBRECIPIENT shall submit the following to COUNTY:

- A. One completed Request for Funds Form (RFF)
- B. Four original copies of the signed SUBRECIPIENT AGREEMENT including initialed Exhibits A-D
- C. Any other documents, certifications, or evidence requested by COUNTY as part of the HEAP application or this Agreement

3. EXPENDITURE OF FUNDS:

SUBRECIPIENT shall expend the FUNDS in compliance with the NOFA, this Agreement, and Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other relevant provisions established under SB 850, including but not limited to Health and Safety Code Sections 50214 and 50215 which mandate the following:

- A. No more than 5 percent of the FUNDS may be used for administrative costs related to the execution of eligible activities.
- B. No less than 5 percent of the FUNDS shall be used to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness.
- C. No less than 50 percent of the FUNDS shall be contractually obligated by January 1, 2020.
- D. 100 percent of the FUNDS shall be expended by June 30, 2021.
- E. Any funds not expended by June 30, 2021, shall be returned to the COUNTY for reversion to the Agency and the General Fund.

The FUNDS may not be obligated and expended prior to the SUBRECIPIENT's receipt of the FUNDS even if it is for an eligible use under the statute and this Agreement.

4. DISBURSEMENT:

COUNTY shall disburse the FUNDS to the SUBRECIPIENT upon receipt, review, and approval of a complete RFF and subject to conditions of this Agreement by SUBRECIPIENT. The FUNDS shall be provided in a one-time grant by check to the SUBRECIPIENT.

5. BUDGET CHANGES:

SUBRECIPIENT shall expend the FUNDS consistent with this Agreement with no changes unless the SUBRECIPIENT first obtains consent from the County and the Parties then memorializes the agreed upon change in writing, which shall be made an addendum to this Exhibit.

6. INELIGIBLE COSTS:

SUBRECIPIENT shall not use the FUNDS for costs associated with activities in violation of any law or for any activities or uses that are not consistent HEAP, including but not limited to Health and Safety Code Section 50214, for costs not authorized by this Agreement, or for costs not sufficiently documented (INELIGIBLE COSTS).

The COUNTY may request additional information, evidence, and clarification to determine the reasonableness and eligibility of all costs paid with the FUNDS. If SUBRECIPIENT uses the FUNDS for INELIGIBLE COSTS then SUBRECIPIENT shall be required to reimburse the COUNTY the amount of the INELIGIBLE COSTS within 30 days of the COUNTY's discovery of the expenditure.

The COUNTY, at its sole and reasonable discretion, shall make the final determination regarding whether SUBRECIPIENT's use of FUNDS is allowable or constitutes INELIGIBLE COSTS.

Program funds shall not be used for overhead or planning activities, including Homeless Management Information Systems or Homelessness Plans, and, therefore use of the FUNDS on such items constitutes INELIGIBLE COSTS.

The County may deem SUBRECIPIENT's use of the FUNDS on an activity not described in Exhibit A or this section as authorized if the activities are consistent with Health and Safety Code Section 50214 and such activities are included in the COUNTY approved RFF or are approved in writing by the COUNTY prior to the expenditure of FUNDS for that use.

7. ADMINISTRATIVE COSTS:

SUBRECIPIENT shall use no more than 5 percent of the FUNDS on administrative costs related to the execution of eligible activities pursuant to Health and Safety Code Section 50214. For purposes of this Agreement and HEAP, "administrative costs" does *not* include staff costs directly related to carrying out the eligible activities described in this Agreement and, specifically, paragraph 1 of this Exhibit.

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

TERMS AND CONDITIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit C.

1. Commencement of Work and Completion Dates:

- A. SUBRECIPIENT shall not commence work nor incur or obligate any costs to be paid with the FUNDS prior to receiving the FUNDS from COUNTY.
- B. SUBRECIPIENT must contractually obligate no less than 50 percent of the FUNDS by January 1, 2020, and expend 100 percent of the FUNDS by June 30, 2021. Any funds not expended by June 30, 2021, shall be returned to COUNTY.
 - i. "Obligate" means SUBRECIPIENT has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the FUNDS.
 - ii. "Expended" means all FUNDS obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.
- C. SUBRECIPIENT shall complete all work by the expiration date specified in this Agreement and shall provide all services within the Scope of Work for the full term of this Agreement.

2. Sufficiency of Funds and Termination:

- A. This Agreement is valid and enforceable only if sufficient funds are made available to the COUNTY by the Agency and legislative appropriation. In addition, this Agreement is subject to any additional restrictions, limitations or conditions, or statutes, regulations or any other laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.
- B. The COUNTY may terminate this Agreement at any time for cause by giving a minimum of 14 days' notice of termination, in writing, to SUBRECIPIENT.
 - i. "Cause" means:
 - i. A violations of any terms or conditions of this Agreement, or any breach of contract as described in Paragraph 7 of this Exhibit; or
 - ii. A violation of any Federal or State Laws or Regulations; or
 - iii. A withdrawal of COUNTY's expenditure authority.

- C. Upon termination of this Agreement for cause, unless otherwise approved in writing by the COUNTY, any unexpended FUNDS shall be returned to the COUNTY within thirty days of a notice of termination.

3. Transfers:

SUBRECIPIENT may not transfer or assign by subcontract or novation, or by any other means, the rights, duties, or performance of this Agreement or any part thereof, except with the prior written approval of the COUNTY and a formal amendment to this Agreement to affect such subcontract or novation.

4. SUBRECIPIENT's Application for Funds:

The COUNTY is entering into this Agreement on the basis of, and in substantial reliance upon, SUBRECIPIENT'S APPLICATION, including the facts, information, assertions, and representations contained in that application, and in any subsequent modifications or additions to that Application prior to the EFFECTIVE DATE of this Agreement. SUBRECIPIENT'S APPLICATION is part of this Agreement.

SUBRECIPIENT warrants that all information, facts, assertions, and representations contained in SUBRECIPIENT'S APPLICATION and approved modifications and additions thereto are true, correct, and complete to the best of SUBRECIPIENT'S knowledge.

If any part of the SUBRECIPIENT'S APPLICATION or COUNTY approved modification is determined to be untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect COUNTY's approval, disbursement, or monitoring of the FUNDS or this Agreement, then the COUNTY may declare a breach of this Agreement.

5. Accounting/Reporting/Audits:

- A. SUBRECIPIENT shall adhere to standard accounting principles and procedures, utilize adequate internal accounting and security controls, and maintain necessary source documentation for all costs incurred.
- B. SUBRECIPIENT shall submit Quarterly Reports, first Quarterly Report due 30 days after receipt of the FUNDS and quarterly thereafter, an Annual Report by December 15, 2019, and December 15, 2020, and a Final Report by September 15, 2021, to the COUNTY on forms provided by the COUNTY.
 - i. If the SUBRECIPIENT fails to provide the required reports then it may constitute a COUNTY may declare of breach of this Agreement.
- C. The Quarterly reports and annual reports shall contain a detailed report containing the following:
 - i. Amount of award with activity(ies).
 - ii. Contract expenditures.

- iii. Unduplicated number of homeless persons or persons at imminent risk of homelessness served.
 - iv. Number of instances of service (defined in September 5, 2018 HEAP NOFA).
 - v. Increases in capacity for new and existing programs.
 - vi. The number of unsheltered homeless persons becoming sheltered.
 - vii. The number of homeless persons entering permanent housing.
(May be reflected using a completed Logic Model)
- D. Report breakdowns are expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the supplemental reporting requirements listed above when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U. S. Department of Housing and Urban Development (HUD):
- i. Chronically homeless
 - ii. Homeless veterans
 - iii. Unaccompanied homeless youth
 - iv. Homeless persons in families with children
- E. Counts by subpopulation will not be required in cases where that information is unavailable, but it is expected in cases where client information is entered in a Homeless Management System (HMIS). Additional breakdowns for other subgroups (e.g. race, ethnicity, disability status, etc.) are optional, if the SUBRECIPIENT chooses to include them.
- F. Reports shall include SUBRECIPIENT comments on the following:
- i. Progress made toward the COUNTY's homelessness goals and Strategic Priorities.
 - ii. The alignment between HEAP funding programs and "Housing First" principles adopted by the Homeless Coordinating and Financing Council.
 - iii. Any other effects from HEAP funding that the SUBRECIPIENT would like to share (optional).
- G. COUNTY may perform or cause to be performed a financial audit of SUBRECIPIENT.
- H. COUNTY may demand that SUBRECIPIENT provide, at its own expense, a financial audit prepared by a certified public accountant. The administrative portion of the FUNDS may be used to fund this expense. If COUNTY demands and audit:
- i. SUBRECIPIENT shall notify the COUNTY of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by COUNTY to the independent auditor's working papers.
 - ii. SUBRECIPIENT is responsible for the completion of audits and all costs of preparing audits.

- iii. If there are audit findings, SUBRECIPIENT must submit a detailed response acceptable to the COUNTY for each audit finding within 90 days from the date of the audit finding.

6. Retention and Inspection of Records:

- A. The SUBRECIPIENT shall maintain all records required by Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP guidance document published on the website and this Agreement, that are pertinent to the activities to be funded under this Agreement. SUBRECIPIENT shall retain records including but not be limited to:
 - i. Records providing a full description of each activity undertaken;
 - ii. Records demonstrating that each activity undertaken meets one of the Objectives of the HEAP program;
 - iii. Records required to determine the eligibility of activities; and
 - iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with FUNDS
- B. SUBRECIPIENT shall retain all records described in Paragraph A for a minimum period of 5 years after the termination of this Agreement.
 - i. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.
- C. SUBRECIPIENT shall allow the COUNTY or its designee to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. SUBRECIPIENT agrees to provide the COUNTY or its designee, with any relevant information requested. The SUBRECIPIENT agrees to permit the COUNTY or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other materials that may be relevant to a matter under investigation for the purpose of determining compliance with the Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP program guidance document published on the website, and this Agreement.

7. Breach and Remedies:

- A. The following shall each constitute a breach of this Agreement:
 - i. SUBRECIPIENT's failure to comply with the terms or conditions of this Agreement.
 - ii. Use of, or permitting the use of, FUNDS for any INELIGIBLE COSTS.
 - iii. Any failure to comply with the deadlines set forth in this Agreement.

- B. In addition to any other remedies that may be available to the COUNTY in law or equity for breach of this Agreement, the COUNTY may:
- i. Bar the SUBRECIPIENT from applying for future HEAP funds through the COUNTY;
 - ii. Revoke any other existing HEAP award(s) to the SUBRECIPIENT;
 - iii. Require the return of any unexpended FUNDS disbursed under this Agreement;
 - iv. Require repayment of FUNDS disbursed under this Agreement;
 - v. Require the immediate return to the COUNTY of all funds derived from the use of FUNDS including, but not limited to, recaptured funds and returned funds;
 - vi. Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with HEAP requirements; and
 - vii. Seek such other remedies as may be available under this Agreement or any law.
- C. All remedies available to the COUNTY are cumulative and not exclusive.
- D. The COUNTY may give written notice to the SUBRECIPIENT to cure the breach or violation within a period of not less than 15 days.

8. Waivers:

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the COUNTY to enforce at any time the provisions of this Agreement, or to require at any time, performance by the SUBRECIPIENT of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the COUNTY to enforce these provisions.

9. Nondiscrimination:

- A. During the performance of this Agreement, SUBRECIPIENT and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment, or deny medical, family care, or pregnancy disability leave, because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, or military and veteran status. SUBRECIPIENT and its subcontractors shall also ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- B. SUBRECIPIENT and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the

applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12900 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. SUBRECIPIENT and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

10. Conflict of Interest:

The Parties are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, may result in this Agreement being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code, sections 10410 and 10411, for State conflict of interest requirements.

- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on their own behalf as an independent contractor with any State agency to provide goods or services.
- B. Former State Employees: For the two-year period from the date they left State employment, no former State officer or employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date they left the State employment, no former State officer or employee may enter into a contract with any State agency if they were employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to their leaving State service.
- C. Employees of the SUBRECIPIENT: Employees of the SUBRECIPIENT shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code section 87100 et seq.

11. Drug-Free Workplace Certification:

Certification of Compliance: By signing this Agreement, SUBRECIPIENT, and its subcontractors, hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and

specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section (8355(a)(1).

- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace;
 - ii. SUBRECIPIENT's policy of maintaining a drug-free workplace;
 - iii. Any available counseling, rehabilitation, and employee assistance programs; and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- C. Provide, as required by Government Code section 8355(a)(3), that every employee and/or subcontractor who works under this Agreement:
 - 1. Will receive a copy of SUBRECIPIENT's drug-free policy statement, and
 - 2. Will agree to abide by terms of SUBRECIPIENT's condition of employment or subcontract.

12. Child Support Compliance Act:

For any contract or subcontract for FUNDS in excess of \$100,000, the SUBRECIPIENT acknowledges in accordance with Public Contract Code 7110, the following:

- A. SUBRECIPIENT recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. SUBRECIPIENT, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

13. Special Conditions – Contractors/Subcontractor:

- A. SUBRECIPIENT shall comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit D. These conditions shall be met to the satisfaction of the COUNTY prior to disbursement of FUNDS.
- B. SUBRECIPIENT shall ensure that all of its subcontractors are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of FUNDS. Failure to comply with these conditions may be deemed a breach of this Agreement.

- C. Any agreement between SUBRECIPIENT and a subcontractor shall require the subcontractor, if any, to:
- i. Perform the work in accordance with Federal, State and Local housing and building codes, as applicable.
 - ii. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
 - iii. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the SUBRECIPIENT or any of its subcontractor in performing the work or any part of it.
 - iv. Agree to include all the terms of this Agreement in each subcontract.

14. Compliance with State and Federal Laws, Rules, Guidelines and Regulations:

- A. SUBRECIPIENT shall comply with State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and/or related to HEAP and all eligible activities.
- B. SUBRECIPIENT shall also be responsible for obtaining any and all permits, licenses, and approvals required for performing any activities under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the activities. SUBRECIPIENT shall provide copies of permits and approvals to the COUNTY upon request.
- C. SUBRECIPIENT shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental protection, procurement, and safety laws, rules, regulations, and ordinances.

15. Inspections:

- A. SUBRECIPIENT shall inspect any work performed pursuant to this Agreement to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- B. COUNTY reserves the right to inspect any work performed pursuant to this Agreement to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- C. Any work by SUBRECIPIENT or by its subcontractors that is determined based on such inspections to not conform to the applicable requirements shall be corrected and may be determined to be a breach of this Agreement by the COUNTY.

16. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the COUNTY, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are and shall be deemed severable.
- B. SUBRECIPIENT shall notify the COUNTY immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the COUNTY.
- C. SUBRECIPIENT shall hold harmless, defend, and indemnify the COUNTY from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the SUBRECIPIENT's performance or nonperformance under this Agreement.

17. Amendments:

- A. The GRANTEE or SUBRECIPIENT may amend this Agreement at any time provided that such amendments makes specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization. Such amendments shall not invalidate this Agreement, nor relieve or release the SUBRECIPIENT from its obligations under this Agreement, unless so expressed in the written amendment.
- B. The GRANTEE may, in its discretion, amend this Agreement to conform with Federal, State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the FUNDS, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both GRANTEE and SUBRECIPIENT.

18. Independent Contractor:

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The SUBRECIPIENT shall at all times remain only a subrecipient of grant funds.

19. Religious Activities:

The SUBRECIPIENT shall not use FUNDS for inherently religious activities such as worship, religious instruction, or proselytization.

**SUBRECIPIENT AGREEMENT
EXHIBIT D**

SPECIAL TERMS AND CONDITIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit D.

1. SUBRECIPIENT shall deposit the FUNDS into an interest-bearing account opened by SUBRECIPIENT for the FUNDS.
2. SUBRECIPIENT shall not deposit any other funds into the FUNDS account.
3. SUBRECIPIENT shall provide COUNTY access, upon request, to the FUNDS account for monitoring purposes only, typically via a web portal, and monthly statements from the FUNDS account in addition to the reports required in this Agreement.
4. All proceeds from the interest bearing account must be used for HEAP eligible activities. Consistent with Health and Safety Code Section 50214 (b), no more than 5 percent of the proceeds may be used for general administrative purposes and at least 5 percent of the proceeds must be allocated to establishing or expanding services for homeless youth, as defined in HEAP program documents.
5. Any housing-related activities funded with HEAP funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing, and permanent supportive housing must be in compliance with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).
6. SUBRECIPIENT shall provide the COUNTY access to Homeless Management Information System ("HMIS") data collected and entered into the SUBRECIPIENT's HMIS, upon request, and to participate in any statewide data initiative as directed by the COUNTY, including but not limited to, a statewide data integration environment.

San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program ApplicationCONTACT INFORMATION

Organization Name:	City of Lodi		
Mailing Address:	PO Box 3006	Lodi	95241
	Street	City	
Project/Program Location:	113 N. Cherokee Lane	Lodi	95241
	Street	City	Zip
Executive Director:	Stephen Schwabauer	sschwabauer@lodi.gov	209-333-6800
	Name	Email	Phone
Contact Person:	Patrice Clemons	pclemons@lodi.gov	209-333-6800 ext. 3404
	Name	Email	Phone
Website:	www.lodi.gov		
DUNS# 946000361	EIN# 94-6000361	Business License# NA	
Type of Agency:	<input type="checkbox"/> 501(c)(3)	<input checked="" type="checkbox"/> Gov't/Public	<input type="checkbox"/> Faith-Based <input type="checkbox"/> Other
Number of paid staff:	2, Project Coordinator and City Manager	Number of volunteers:	5, Committee on Homelessness Members

FUNDING REQUEST

Funding requested in this application:	\$1,521,942	Other funds already secured for the project:	\$338,500
Total cost to complete project:	\$1,867,942	Other funds not yet secured:	\$7,500

REQUIRED ATTACHMENTS

Using the checkboxes below, indicate that all attachments were included with the application at submission:

☒ A copy of the project budget showing all funding sources and uses.

☒ A copy of the organization's operational budget for the current fiscal year and proposed budget for the 2018 – 2019 fiscal year.

☒ A copy of the organization's most recent balance sheet and income and expenditure statement.

☒ The most recent audited compilation report performed by a Certified Public Accountant.

☒ A determination letter from the Internal Revenue Service confirming 501(c)(3) tax-exempt status.

☒ A current roster of the organization's officers and members of its Board of Directors, which includes their name, position held, address, telephone number, and current employer(s).

☒ A copy of the organization's mission statement as approved by the Board of Directors.

☒ Documentation of the organization's participation or commitment to participate in the local HMIS.

☒ A resolution declaring a shelter crisis from the governing body of the jurisdiction in which the project will be located.

☒ Additional: Project Timeline Chart

☒ *Additional: MOUs*

PROJECT INFORMATION

1. Provide a brief description of the proposed project for which funds are being requested. (2,500 characters/10 points)

The City of Lodi proposes the Lodi Tiny House Project (Project) which will create approximately five units of permanent supportive housing for homeless individuals and families or those at risk of homelessness.¹ This supportive housing will help homeless individuals/families move from emergency shelters, motel voucher and transitional housing programs, or off the streets into long-term, affordable housing where they can continue their progress toward stable and independent living. The Project also helps those facing a housing crisis and at risk of becoming homeless, such as people experiencing job loss or domestic violence.

The Project will receive tenant referrals from local organizations including Salvation Army, Lodi House, and Women's Center, although more agencies may be added. These referral agencies will provide ongoing support services to those they refer. These agencies estimate that, combined, they will refer 30 residents per year. The Housing Authority of the County of San Joaquin (HA) will supply housing choice vouchers. To be eligible, a tenant may not earn more than 80% of the family median income as required by U.S. Department of Housing and Urban Development (HUD); after a year of being on the voucher, the resident can apply for a tenant-based voucher, so they can move off-site and still use the voucher.

HEAP funds will be used to purchase property, develop the site, and purchase and install manufactured tiny homes. The City has vetted several properties, and found 113 N. Cherokee as a viable option to purchase/develop. The City will generally oversee the Project, while the HA will implement the Project, including purchasing/owning the property, completing construction of the site, and managing the property.

The City estimates that most residents will move out of the tiny homes and into private, market-rate houses within a few years once they have achieved more stability, income, and independence. This will allow the tiny homes to again become available to those wanting to exit homelessness.

(1) Homeless includes sheltered as defined in San Joaquin County Continuum of Care 2017 Point-In-Time (PIT): person living in emergency shelter, participating in transitional housing programs, or living in motels through voucher program; and includes unsheltered defined as persons living in a place not meant for human habitation.

2. Identify the need gap this proposed project will address. Please provide data and analysis from sources such as the Point in Time Count, the Homeless Management Information System and the Housing Inventory Count that demonstrate this gap. (2000 characters/3 points)

Permanent supportive housing (PSH) is in short supply in Lodi and surrounding San Joaquin County, which makes exiting homelessness more difficult and prevents new space from more readily opening up in shelters and transitional programs. Per the 2017 Point-In-Time (PIT): "There appears to be little room off the streets for the current unsheltered [homeless] population. Data from [HMIS] indicates that many emergency homeless shelters routinely operate at or above capacity. Permanent housing programs for the homeless report continued struggles to find suitable housing for homeless households because of current market forces."

To illustrate this demand for permanent supportive housing, the PIT showed 567 unsheltered homeless in the county, and 88 in Lodi (Committee on Homeless believes 200 is more accurate), who are in need of shelter and assistance. Further exacerbating the capacity shortage, the county had a loss of 230 transitional housing beds in 2017 due to HUD's decision to reduce funding (page 2, PIT); also, 42 beds at a domestic violence shelter were closed for construction.

Of the 985 sheltered homeless, 804 were in emergency shelter and 181 were in transitional facilities. This means that roughly 181 of them (18%) could find new housing in those transitional facilities when openings arise; however, that leaves the 82% with no local transitional program option or at least a long wait. When leaving the shelter, they must find permanent housing that is either private, market rate, or voucher. It takes years and is often difficult to obtain a voucher, which are in short supply. Market-rate units are expensive for those exiting homelessness. For example, the 2016 median rent for multi-family rental in Lodi was \$1,201. Moreover, 98% of extremely low- and 84% of very low-income households were paying more than 30% of their annual income (Lodi 2016 Housing Element).

While the Housing Inventory Count reports 1,052 permanent housing beds countywide, Lodi has far fewer at only 8 units of affordable housing offered by the HA and approximately 148 tenant-based vouchers.

3. How will this project address the need gap identified in the answer above? (2000 characters/2 points)

With the shortage of affordable and supportive housing options, the Project will help individuals/families end the cycle of homelessness. When individuals/families experience homelessness they face many obstacles that can take years and added resources to overcome. Even after completing a transitional living housing program or receiving services, an individual/family may still be at risk of returning to homelessness, especially if they are unable to find affordable housing in their community. These people face continuing challenges such as inability to afford rent, lack of positive rental history, poor credit scores, financial debt, stable employment history, educational training to increase income, medical expenses, and continued access to emotional/mental health counseling services. For this reason, this Project will provide ongoing supportive services to its residents, potentially including continued access to resources, therapy, food/clothing/household supplies, and case managers.

Rental assistance vouchers will also be provided so that residents do not pay more than 30% of their monthly income to rent. The voucher will cover the difference between actual rent (approximately \$700 to \$826) and up to 30% of their monthly income. By making rent affordable, residents will be able to save money, pay debts, establish rental history, and improve their credit score. Affordable housing also creates the type of stability where residents can better maintain employment, build on skills/education, continue accessing support/counseling services, be invested in a community, and create emotional well-being. If homeless individuals/families cannot find affordable rent, then they must relocate to another community, away from structures and support systems they've developed and rely upon. Moving to a new community may mean changing schools, jobs, and access to affordable transportation, and overall puts them at risk of returning to homelessness.

4. Does this project serve the unsheltered homeless? Please explain. (1000 characters/5 points)

This Project will serve unsheltered homeless, although it is more likely that sheltered homeless will move in. Unsheltered homeless are likely to first seek services for their most urgent needs (e.g., food, shelter, income assistance). Sheltered homeless are at high risk of returning to homelessness without long-term supportive services/housing. When people are ready to move on from shelters/transitional programs, they are often unable to secure affordable housing. If they are not able to find affordable housing, they often stay in the poverty. At least three local agencies will provide referrals for residents to live in the Project. These agencies might refer from their shelters, transitional programs, or other situations, so long as the agency believes the individual/family would income qualify and be able to progress toward independence, given some supportive services. The Project will not provide the more intense, on-site case management typically seen in transitional programs.

5. Does this project focus on serving another special subpopulation prioritized by the CoC? Please describe the characteristics of the special population being served. (500 characters/1 point)

Both the Lodi House and Women's Center will refer women from their programs, many of whom have escaped domestic violence. The agencies may also refer chronically homeless. As noted above, since Lodi does not currently have many affordable housing options, homelessness has become a longer, chronic condition. The Women's

Center estimates it can refer six individuals per year to the Project; five referrals from Lodi House; and twenty from Salvation Army, for a total of 30.

6. Describe how this project aligns with the Housing First model of service delivery. (500 characters/2 points)

Based on WIC 8255(b) and NAEH, this Project prioritizes housing for people experiencing homelessness by offering vouchered permanent units and voluntary support services, so that housing can be used to create stability and as a platform to pursue personal goals. The Project prioritizes referrals from local agencies so that residents can continue their progress and use of support systems that they have already established through those agency services, shelters, and transitional programs.

7. Does your organization currently participate or plan to participate in the local HMIS? If so, provide documentation of participation or a written commitment to participate as an attachment. (2 points)

Lodi plans to participate in the local HMIS as needed to comply with this grant. HA participates in HMIS as the VASH administrator for San Joaquin County. HA provides rental assistance for up to 254 veterans and families in partnership with the Palo Alto office of the Veterans Administration. Data is tracked as participants housed as well as veterans who have been issued a VASH voucher currently seeking an apartment. Additionally, if needed, all three referral agencies plan to participate in the local HMIS. Note: Proof of HMIS participation was not provided through printed report due to confidentiality and no administrative page was available to print.

8. Does your organization currently participate in the CoC. Please explain. (500 characters/2 points)

Lodi City Manager participates in the CoC by attending meetings, providing feedback, and bringing updates to City Council. Members of the Lodi Committee on Homelessness, including Salvation Army, participate in the Ad Hoc Governance Committee, attend County Homelessness Task Force meetings, and sit on the CoC Board. HA has participated in the Homelessness Task Force and Ad Hoc Governance Committee, and will sit on CoC Board. Referral agencies voiced interest in participating more often.

9. Describe your organization's experience and history managing similar projects within the community. (2000 characters/5 points)

The City of Lodi, incorporated in 1906, has 390 full-time employees with a budget of \$200 million, and has provided oversight and direct implementation over numerous development projects. Lodi's Public Works and Community Development Departments team up to plan, design, engineer, construct, and essentially complete every aspect of development. Additionally, under the CDBG program, the City has overseen several projects over last two years, including: City Hall Annex, for major renovations to City's fire and parks facilities; Kofu Park improvements, for new parking and pedestrian sidewalk; HA Washington Street improvements, for energy upgrades and siding repairs to affordable housing complex. Lastly, the City assisted Eden Housing with efforts to secure funding for development of an 80-unit, affordable senior housing project, which was completed in 2017.

HA is a public corporation with an operating budget of \$51M and 82 employees, and provides rental assistance to over 6,000 households in the county. HA has many development projects currently under way. It has 115 units of LIHTC housing with building delivery beginning January. Its next phase of 100 units are scheduled to close in March 2019. Between the two phases, project costs are roughly \$80M. HA has also partnered on a downtown 34-unit Stockton project. It recently closed a senior project in Manteca with the same developer partner for 48 units with 4% tax credits. HA has a \$3.5M award from BHS to produce 35 units of housing with MHSA funds. HA purchased new administrative headquarters where it is renovating 18,000 square feet and will produce 27 units of housing for BHS in a former HA buildings with 20 years of project-based subsidy. It has an 11-unit property in Stockton that will also be renovated. Plan check is under way for work to begin early 2019. Attached is a link from Sierra Vista project from June. https://www.youtube.com/watch?v=Pgw_I2WbxK8&t=4s.

10. Describe the services your organization currently delivers within the community. (2000 characters/5 points)

The City has provided years of service to its residents, including library, parks and recreation, police, fire, public works, building, planning, electric utility, transit service, water and waste services. Through its CDBG grant, the City funds agencies to provide additional services, such as fair housing, gang prevention, youth and family counseling, food distribution, and assistance for homelessness. Moreover, the City processed entitlements for 210 single-family homes, 80 senior low-income apartments (Cranes Landing), 156 market-rate apartments (Rubicon), and 143 senior living apartments (Revel). The City anticipates another 200 single-family homes and 156 multi-family units built in 2018-19.

HA provides rental assistance for over 6,000 households in the county, including Lodi. In Lodi, HA has 2 multi-family properties with a total of 8 units. It also provides tenant-based housing choice vouchers to 148 households in Lodi.

HA manages three migrant family farm labor housing developments for the Office of Migrant Services, a division of California Department of Housing and Community Development. A total of 97 units are located on Harney Lane adjacent to the city. This housing is available from March through the end of December of each year. Child care centers are provided for farmworkers at the sites.

Lodi House's transitional housing program provides counseling and shelter to women and children. Families have an opportunity to build a budget, manage savings account, and gain skills in life/home management.

Salvation Army provides emergency lodging, hot meals, and clothing. It also has an Adult Rehabilitation Center where clients are preparing to reenter the community.

Women's Center operates two undisclosed emergency shelters for victims of domestic violence and their children. Multiple services are provided along with therapy, parenting classes, case management, life skills training, and employment readiness.

11. Does the proposed project produce new units of low-barrier permanent housing or new units of low-barrier emergency shelter space, or provide new rental assistance for permanent housing? Please explain. (1000 characters/5 points)

This Project brings new units of permanent supportive housing to the Lodi community. This Project adds five affordable units with no obligation to participate in a program on-site, though supportive services will be offered by referring agencies. This is so the resident can continue to receive support and access the resources that have helped them grow in their independence. A resident's continued participation in support services, though limited, can help them further establish stability in their home and personal life. HA will provide housing choice vouchers so that the units maintain their affordability to tenants (no more than 30% of household income can be spent on rent; instead the voucher will cover the difference).

Permanent supportive housing is "an intervention that combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people." It "can also increase housing stability and improve health." (Source: <https://endhomelessness.org/ending-homelessness/solutions/permanent-supportive-housing/>).

12. How many unduplicated clients will the proposed project serve (placed in shelter, permanent housing, etc.)? Please provide the ratio of cost per client served relative to HEAP funds requested and explain how you arrived at that ratio. (1500 characters/5 points)

Approximately three studios (420 sq. ft. each) and two one-bedroom units (588 sq. ft. each) will be provided. Studios house no more than two persons, and one-bedrooms house no more than three persons. Given that, 5 to 12 persons could be living on the Project site at one time. The City anticipates that all units will be full, given the City's three partnering agencies—Lodi House, Salvation Army, and Women's Center—will have a combined total of approximately 30 referrals per year. This is more than enough to fill the five units, and to create a waitlist. Should referrals drop, other local agencies will be considered. Also, every year a certain portion of residents (20%, or one resident per year) will likely move on to new housing. So, within a one-year period, anywhere from 6 to 15 residents will live at the property or an average of 11 residents.

In year one, the ratio of cost per clients served is 1 to \$150,038, by dividing \$1,650,442 total acquisition/construction project costs by average number of tenants over one year, $11 (6 + 15) / 2 = 11$). However, the cost per client in year and beyond two dramatically decreases due to the acquisition and construction cost being paid. The HA will continue to pay for management of the properties through the rent and vouchers, and no additional funds will be needed to cover the expenses.

13. Explain how this project will meet Communitywide System Performance Goals as adopted by the CoC HEAP Committee. See below for a list of these goals. (2000 characters/5 points)

CoC Goal #2: This PSH project will help reduce by 20% the number of persons who return to homelessness through the strategy of prevention. Individuals/families who move into the tiny homes will continue to have support services provided to them by the agencies that referred them. This will help them navigate through potential personal or financial crises that would otherwise cause them to lose housing but for this PSH project. Vouchers will also be provided to each household so that they can afford rent (paying up to 30% of their income for rent). Spending less on rent means people can continue to build savings and pay down debt. This will be measured by tracking where tenants plan to live when they leave (are they entering market-rate unit, using a tenant-based voucher, etc.).

CoC Goal #4: This Project will help tenants both increase their earned income from a job by 10% and increase their overall income by 65%. Their reduced rent creates affordable and more stable housing which in turn both allows tenants to keep/focus on a job long enough to strengthen/improve their skills, and helps them pay for/access transportation consistently so that they reliably get to work. Affordable rent will also help tenants save more cash for retirement, savings, or investing. This will be tracked by comparing employment income and overall income from the initial income verification compared to ongoing annual verifications.

CoC Goal #7: This PSH project will aim to have a housing stability measure of at least 85% by providing ongoing support and long-term housing for those that continue to income-qualify. This will be measured by looking at the number of current tenants, those moving on, and those staying in the units each year.

HA uses several tools to track the above including HUD 50058 form, annual income recertifications, and end of participation details.

14. Provide a timeline of how the proposed project will be delivered. Please explain how this timeline will be met by your organization and its capacity to spend all allocated funds within the HEAP timeline. (2000 characters/5 points)

The Project timeline is approximately 18 months, from January 2019 through June 2020. Beginning in January 2019, Lodi and its partners will enter into discussions and agreements regarding the HEAP grant. In March, HA will begin procurement of a design consultant. By the end of 2019, the plans and designs should be approved by City and the project should be out to bid for construction contractors. The City will submit its first HEAP report in January 2020. Site work will begin in early spring and construction should finish in May. Tenants should be able to move in soon after. Project cost reimbursement and closeout will then begin.

The City will generally oversee the project; however, HA will oversee project implementation from beginning to end, starting with design and when site is completed and tenants occupy the units. HA will continue to manage and maintain the property.

Existing FTE staff from Building, Planning, and Public Works Departments will cover entitlement and permit processes. Given the small number of units, no additional employees are anticipated. As for overall HEAP grant coordination, the City anticipates approximately 410 hours over the course of this project, which is the equivalent of 10% FTE each year for two years. The City has no problem bringing on staff/consultants to supplement staff as necessary. In the past, the City has quickly adjusted staffing needs to address capacity demands, and has consultant contractors readily available for such circumstances.

HA anticipates that the executive leadership team and a four-person construction/development team will have the existing capacity to take on implementation of this Project. No new hires are anticipated at this time.

The three referral agencies have stated that they will provide ongoing support services to those that they refer, and will not need additional HEAP or other grant funding, as they have sufficient funding currently to support this Project. (See Attachment)

15. Explain how the proposed project will continue after all HEAP funds are expended. (2000 characters/5 points)

This Project will continue with minimal to no issues once the funding has been expended. Funding will be used for the purchase of land, tiny houses, infrastructure, and installation of tiny houses. There are no expected costs for ongoing supportive services provided to the individual residents. Ongoing maintenance of the property and tiny houses will be addressed through the rental income and the property management company (provided by HA). Because the project will have no debt after HEAP funds are used to pay for all site and construction costs, the units are essentially operated without debt payments—thereby reducing the cost to maintain and manage the units to an amount feasibly supported by the housing choice voucher program, plus cost of income from rents.

16. Explain how the proposed project will operate if the project is awarded less than its requested funding total through HEAP. (1000 characters/0 points tiebreaker)

The ongoing costs to operate the tiny homes is based on the debt-free aspect of the Project. Should HEAP funds be insufficient to cover total Project costs, the City would obtain additional funding in order to maintain the debt-free model. The City may be able to apply for HUD grant funds. However, obtaining those supplemental funds would be essential to completing the total visions for this project. If those additional funds are not procured in time, the scope of the Project would be reduced and HEAP funds would be prioritized to first cover the purchase of the property, then site development, and lastly, the purchase and installation of tiny homes. Cutbacks may result in fewer tiny homes being installed, instead of the planned five; however, the City would continue fundraising until all five units could be installed.

AUTHORIZED SIGNATURE OF APPLICANT: TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL INFORMATION IN THIS APPLICATION IS TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT WHO WILL COMPLY WITH ALL CONTRACTUAL OBLIGATIONS IF THE PROPOSAL IS AWARDED FUNDING. BY SIGNING BELOW, I HEREBY CERTIFY THAT THE AGENCY WILL COMPLY WITH ALL PROVISIONS OF THE STATE OF CALIFORNIA HOMELESS EMERGENCY AID PROGRAM, AS WELL AS ALL APPLICABLE FEDERAL, STATE AND LOCAL STATUTES AND ORDINANCES.

SIGNATURE OF AUTHORIZED REPRESENTATIVE:



TYPED NAME: Stephen Schwabauer

DATE SIGNED: November 16, 2018

TITLE: City Manager, City of Lodi

RESOLUTION NO. 2019-70

A RESOLUTION OF THE LODI CITY COUNCIL ACCEPTING
THE SAN JOAQUIN CONTINUUM OF CARE HOMELESS
EMERGENCY AID PROGRAM (HEAP) GRANT; AND FURTHER
APPROPRIATING FUNDS

=====

WHEREAS, the City of Lodi has been awarded a \$1,250,000 Homeless Emergency Aid Program (HEAP) grant from the San Joaquin Continuum of Care (SJCoC); and

WHEREAS, the grant funds will be used to create approximately five tiny homes of permanent supportive housing for homeless individuals and families or those at risk of homelessness; and

WHEREAS, the City will enter into a Subrecipient Agreement with SJCoC, which includes a project description, budget, schedule, and grant requirements; and

WHEREAS, the assistance with grant implementation will be performed by City staff, consultant Michael Baker International, and Housing Authority of County of San Joaquin (Housing Authority); and

WHEREAS, the City will enter into an agreement with the SJCoC and Michael Baker International at a future date; and

WHEREAS, the services performed by Michael Baker International and Housing Authority will be in accordance with the scope of work and budget defined in the Subrecipient Agreement; and

WHEREAS, staff is recommending the City Council accept the HEAP grant funds from the San Joaquin Continuum of Care and appropriate the funds to an account established by the City of Lodi Finance Department in the amount of \$1,250,000.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby accept the \$1,250,000 HEAP grant; and

BE IT FURTHER RESOLVED that the Lodi City Council does hereby approve the appropriation of funds as set forth above.

Dated: May 1, 2019

=====

I hereby certify that Resolution No. 2019-70 was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 1, 2019, by the following vote:

AYES: COUNCIL MEMBERS – Kuehne, Mounce, and Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Johnson and Mayor Chandler

ABSTAIN: COUNCIL MEMBERS – None


JENNIFER M. FERRAILOLO
City Clerk



SAN JOAQUIN
—COUNTY—
Greatness grows here.

Office of the County Administrator

Monica Nino, County Administrator

Jerry Becker, Assistant County Administrator

April 1, 2019

MEMORANDUM

TO: Stephen Schwabauer, Authorized Representative
FROM: Adam Cheshire, Program Administrator – Homeless Initiatives
SUBJECT: Homeless Emergency Aid Program Sub-Recipient Agreement

Enclosed you will find the agreement including all attachments executing your project using Homeless Emergency Aid Program funds as allocated by the San Joaquin Continuum of Care. Please review each section carefully, then sign, date and/or initial where indicated.

Please **scan** the signed, dated and initialed agreement and send to me at:

acheshire@sjgov.org

Please also **return the original with wet signatures** to me at:

County Administration Building
44 North San Joaquin Street
Sixth Floor, Suite 640
Stockton, CA 95202
ATTN: Adam Cheshire

You may begin using funds immediately following the execution of this agreement. **Prior to using funds**, please contact Chris Becerra at cbecerra@sjgov.org or (209) 468-3157. Should you have any other questions or need assistance, please do not hesitate to contact me.

Thank you,

A handwritten signature in blue ink, appearing to read "A. Cheshire", written over a faint circular stamp.

Adam Cheshire
Program Administrator – Homeless Initiatives
San Joaquin County

**SUBRECIPIENT AGREEMENT FOR SAN JOAQUIN CONTINUUM OF CARE CA-511
HOMELESS EMERGENCY AID PROGRAM (HEAP) FUNDING FOR FY 2019-2020**

THIS AGREEMENT entered into, by and between San Joaquin County, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and The City of Lodi, hereinafter referred to as "SUBRECIPIENT". Collectively "COUNTY" and "SUBRECIPIENT" are the "Parties."

The term of this Agreement is the date of the EFFECTIVE DATE through and including October 31, 2021.

The COUNTY is hereby awarding SUBRECIPIENT an amount not to exceed: \$1,250,000 (the FUNDS) as applied for by SUBRECIPIENT in its San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program Application (SUBRECIPIENT'S APPLICATION) submitted to COUNTY on November 16, 2018, which is hereby made part of this Agreement.

SUBRECIPIENT shall expend 100 percent of the FUNDS pursuant to this Agreement prior to June 30, 2021. Any of the FUNDS not expended by SUBRECIPIENT by that date shall be returned to the COUNTY for reversion to the State pursuant to Health and Safety Code Section 50215.

The Parties agree to comply with the terms and conditions of the following Exhibits, which are hereby made part of this Agreement:

EXHIBIT A: Authority, Purpose, and Scope of Work

EXHIBIT B: Budget Detail and Payment Provisions

EXHIBIT C: Terms and Conditions

EXHIBIT D: Special Terms and Conditions

Total number of pages attached: 22

The effective date of this Agreement shall be the date the last of the Parties signs this Agreement (the EFFECTIVE DATE).

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto.

SUBRECIPIENT's NAME:

Date Signed: _____

BY: (Authorized signature)

Printed Name and Title of Person Signing

SAN JOAQUIN COUNTY:

Date Signed: April 1, 2019

BY: (Authorized signature)

Adam Cheshire – Program Administrator – Homeless Initiatives

SUBRECIPIENT AGREEMENT EXHIBIT A

AUTHORITY, PURPOSE, AND SCOPE OF WORK

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit A.

1. AUTHORITY:

- A. The State has established HEAP under Chapter 5 (Commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018).
- B. HEAP is administered by the California Homeless Coordinated and Financing Council (Council) in the Business, Consumer Services and Housing Agency (Agency).
- C. The Agency provides one-time flexible block grant funds to Administrative Entities as defined in the September 5, 2018, HEAP Notice of Funding Availability (NOFA).
- D. HEAP Objectives are to benefit the emergency needs of homeless individuals, and aid individuals at imminent risk of homelessness, as defined in Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established un SB 850 (Chapter 48, Statutes of 2018).
- E. COUNTY applied for and received HEAP grant funds and is the recognized Administrative Entity (AE) as provided for by HEAP and defined in the September 5, 2018, HEAP NOFA. Therefore, the COUNTY will administer and distribute HEAP funds allocated to the COUNTY.
- F. Based on SUBRECIPIENT's APPLICATION COUNTY determined that SUBRECIPIENT is eligible and qualified as a subrecipient for HEAP funds to be spent in a manner that will meet the HEAP Objectives.
- G. In entering into this Agreement and accepting the FUNDS, SUBRECIPIENT agrees to comply with the terms and conditions of this Agreement, the SUBRECIPIENT APPLICATION, the NOFA under which the SUBRECIPIENT applied, and the requirements of HEAP.

2. PURPOSE

The purpose of this Agreement is to pass through HEAP one-time block grant funding awarded to the COUNTY to the SUBRECIPIENT to spend in a manner that is consistent with the HEAP Objectives within San Joaquin County.

3. DEFINITIONS

Terms in this Agreement have the same meaning as the definitions set forth in the HEAP NOFA.

4. DISBURSEMENT

COUNTY shall disburse HEAP funds to SUBRECIPIENT in an amount not to exceed \$1,250,000 (the "FUNDS") pursuant to SUBRECIPIENT AGREEMENT Exhibit D upon submission by SUBRECIPIENT of a Subrecipient Request for Funds Form (RFF).

5. SCOPE OF WORK

The Scope of Work for this Agreement includes the SUBRECIPIENT's expending of the FUNDS after disbursement on one-time uses that are consistent with HEAP, Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018) as detailed in the SUBRECIPIENT APPLICATION Project Budget, compliant with this Agreement, and to the satisfaction of the COUNTY.

Any use of the FUNDS on housing-related activities including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing, and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).

6. COUNTY CONTRACT COORDINATOR

COUNTY contract coordinator for this Agreement is the County's Neighborhood Preservation Management Analyst or designee. All notices, reports, or other communication required pursuant to this Agreement shall be emailed and mailed by first class mail as follows, unless the SUBRECIPIENT is otherwise directed in writing by the County:

Christine Becerra, Management Analyst III
1810 E Hazelton Ave, Stockton, CA 95205, Stockton, CA 95202
cbecerra@sgjov.org
(209) 468-3157

7. SUBRECIPIENT's CONTRACT COORDINATOR

SUBRECIPIENT's contract coordinator for this Agreement is identified below. All notices, reports, or other communication required pursuant to this Agreement shall be emailed and mailed by first class mail as follows, unless the COUNTY is otherwise directed in writing by SUBRECIPIENT:

SUBRECIPIENT's Authorized Representative Name:	
Address:	
Phone:	
Email:	

**SUBRECIPIENT AGREEMENT
EXHIBIT B**

BUDGET DETAIL AND PAYMENT PROVISIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit B.

1. BUDGET DETAIL:

SUBRECIPIENT agrees that the FUNDS shall be expended on one-time uses that are consistent with HEAP, Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018) as detailed in the SUBRECIPIENT APPLICATION Project Budget, compliant with this Agreement, and to the satisfaction of the COUNTY.

2. CONDITIONS PRIOR TO DISBURSEMENT:

Prior to COUNTY's disbursement of the FUNDS, SUBRECIPIENT shall submit the following to COUNTY:

- A. One completed Request for Funds Form (RFF)
- B. Four original copies of the signed SUBRECIPIENT AGREEMENT including initialed Exhibits A-D
- C. Any other documents, certifications, or evidence requested by COUNTY as part of the HEAP application or this Agreement

3. EXPENDITURE OF FUNDS:

SUBRECIPIENT shall expend the FUNDS in compliance with the NOFA, this Agreement, and Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other relevant provisions established under SB 850, including but not limited to Health and Safety Code Sections 50214 and 50215 which mandate the following:

- A. No more than 5 percent of the FUNDS may be used for administrative costs related to the execution of eligible activities.
- B. No less than 5 percent of the FUNDS shall be used to establish or expand services meeting the needs of homeless youth or youth at risk of homelessness.
- C. No less than 50 percent of the FUNDS shall be contractually obligated by January 1, 2020.
- D. 100 percent of the FUNDS shall be expended by June 30, 2021.
- E. Any funds not expended by June 30, 2021, shall be returned to the COUNTY for reversion to the Agency and the General Fund.

The FUNDS may not be obligated and expended prior to the SUBRECIPIENT's receipt of the FUNDS even if it is for an eligible use under the statute and this Agreement.

4. DISBURSEMENT:

COUNTY shall disburse the FUNDS to the SUBRECIPIENT upon receipt, review, and approval of a complete RFF and subject to conditions of this Agreement by SUBRECIPIENT. The FUNDS shall be provided in a one-time grant by check to the SUBRECIPIENT.

5. BUDGET CHANGES:

SUBRECIPIENT shall expend the FUNDS consistent with this Agreement with no changes unless the SUBRECIPIENT first obtains consent from the County and the Parties then memorializes the agreed upon change in writing, which shall be made an addendum to this Exhibit.

6. INELIGIBLE COSTS:

SUBRECIPIENT shall not use the FUNDS for costs associated with activities in violation of any law or for any activities or uses that are not consistent HEAP, including but not limited to Health and Safety Code Section 50214, for costs not authorized by this Agreement, or for costs not sufficiently documented (INELIGIBLE COSTS).

The COUNTY may request additional information, evidence, and clarification to determine the reasonableness and eligibility of all costs paid with the FUNDS. If SUBRECIPIENT uses the FUNDS for INELIGIBLE COSTS then SUBRECIPIENT shall be required to reimburse the COUNTY the amount of the INELIGIBLE COSTS within 30 days of the COUNTY's discovery of the expenditure.

The COUNTY, at its sole and reasonable discretion, shall make the final determination regarding whether SUBRECIPIENT's use of FUNDS is allowable or constitutes INELIGIBLE COSTS.

Program funds shall not be used for overhead or planning activities, including Homeless Management Information Systems or Homelessness Plans, and, therefore use of the FUNDS on such items constitutes INELIGIBLE COSTS.

The County may deem SUBRECIPIENT's use of the FUNDS on an activity not described in Exhibit A or this section as authorized if the activities are consistent with Health and Safety Code Section 50214 and such activities are included in the COUNTY approved RFF or are approved in writing by the COUNTY prior to the expenditure of FUNDS for that use.

7. ADMINISTRATIVE COSTS:

SUBRECIPIENT shall use no more than 5 percent of the FUNDS on administrative costs related to the execution of eligible activities pursuant to Health and Safety Code Section 50214. For purposes of this Agreement and HEAP, "administrative costs" does *not* include staff costs directly related to carrying out the eligible activities described in this Agreement and, specifically, paragraph 1 of this Exhibit.

**SUBRECIPIENT AGREEMENT
EXHIBIT C**

TERMS AND CONDITIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit C.

1. Commencement of Work and Completion Dates:

- A. SUBRECIPIENT shall not commence work nor incur or obligate any costs to be paid with the FUNDS prior to receiving the FUNDS from COUNTY.
- B. SUBRECIPIENT must contractually obligate no less than 50 percent of the FUNDS by January 1, 2020, and expend 100 percent of the FUNDS by June 30, 2021. Any funds not expended by June 30, 2021, shall be returned to COUNTY.
 - i. "Obligate" means SUBRECIPIENT has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the FUNDS.
 - ii. "Expended" means all FUNDS obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.
- C. SUBRECIPIENT shall complete all work by the expiration date specified in this Agreement and shall provide all services within the Scope of Work for the full term of this Agreement.

2. Sufficiency of Funds and Termination:

- A. This Agreement is valid and enforceable only if sufficient funds are made available to the COUNTY by the Agency and legislative appropriation. In addition, this Agreement is subject to any additional restrictions, limitations or conditions, or statutes, regulations or any other laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.
- B. The COUNTY may terminate this Agreement at any time for cause by giving a minimum of 14 days' notice of termination, in writing, to SUBRECIPIENT.
 - i. "Cause" means:
 - i. A violations of any terms or conditions of this Agreement, or any breach of contract as described in Paragraph 7 of this Exhibit; or
 - ii. A violation of any Federal or State Laws or Regulations; or
 - iii. A withdrawal of COUNTY's expenditure authority.

- C. Upon termination of this Agreement for cause, unless otherwise approved in writing by the COUNTY, any unexpended FUNDS shall be returned to the COUNTY within thirty days of a notice of termination.

3. Transfers:

SUBRECIPIENT may not transfer or assign by subcontract or novation, or by any other means, the rights, duties, or performance of this Agreement or any part thereof, except with the prior written approval of the COUNTY and a formal amendment to this Agreement to affect such subcontract or novation.

4. SUBRECIPIENT's Application for Funds:

The COUNTY is entering into this Agreement on the basis of, and in substantial reliance upon, SUBRECIPIENT'S APPLICATION, including the facts, information, assertions, and representations contained in that application, and in any subsequent modifications or additions to that Application prior to the EFFECTIVE DATE of this Agreement. SUBRECIPIENT'S APPLICATION is part of this Agreement.

SUBRECIPIENT warrants that all information, facts, assertions, and representations contained in SUBRECIPIENT'S APPLICATION and approved modifications and additions thereto are true, correct, and complete to the best of SUBRECIPIENT'S knowledge.

If any part of the SUBRECIPIENT'S APPLICATION or COUNTY approved modification is determined to be untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect COUNTY's approval, disbursement, or monitoring of the FUNDS or this Agreement, then the COUNTY may declare a breach of this Agreement.

5. Accounting/Reporting/Audits:

- A. SUBRECIPIENT shall adhere to standard accounting principles and procedures, utilize adequate internal accounting and security controls, and maintain necessary source documentation for all costs incurred.
- B. SUBRECIPIENT shall submit Quarterly Reports, first Quarterly Report due 30 days after receipt of the FUNDS and quarterly thereafter, an Annual Report by December 15, 2019, and December 15, 2020, and a Final Report by September 15, 2021, to the COUNTY on forms provided by the COUNTY.
 - i. If the SUBRECIPIENT fails to provide the required reports then it may constitute a COUNTY may declare of breach of this Agreement.
- C. The Quarterly reports and annual reports shall contain a detailed report containing the following:
 - i. Amount of award with activity(ies).
 - ii. Contract expenditures.

- iii. Unduplicated number of homeless persons or persons at imminent risk of homelessness served.
- iv. Number of instances of service (defined in September 5, 2018 HEAP NOFA).
- v. Increases in capacity for new and existing programs.
- vi. The number of unsheltered homeless persons becoming sheltered.
- vii. The number of homeless persons entering permanent housing.
(May be reflected using a completed Logic Model)

D. Report breakdowns are expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the supplemental reporting requirements listed above when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U. S. Department of Housing and Urban Development (HUD):

- i. Chronically homeless
- ii. Homeless veterans
- iii. Unaccompanied homeless youth
- iv. Homeless persons in families with children

E. Counts by subpopulation will not be required in cases where that information is unavailable, but it is expected in cases where client information is entered in a Homeless Management System (HMIS). Additional breakdowns for other subgroups (e.g. race, ethnicity, disability status, etc.) are optional, if the SUBRECIPIENT chooses to include them.

F. Reports shall include SUBRECIPIENT comments on the following:

- i. Progress made toward the COUNTY's homelessness goals and Strategic Priorities.
- ii. The alignment between HEAP funding programs and "Housing First" principles adopted by the Homeless Coordinating and Financing Council.
- iii. Any other effects from HEAP funding that the SUBRECIPIENT would like to share (optional).

G. COUNTY may perform or cause to be performed a financial audit of SUBRECIPIENT.

H. COUNTY may demand that SUBRECIPIENT provide, at its own expense, a financial audit prepared by a certified public accountant. The administrative portion of the FUNDS may be used to fund this expense. If COUNTY demands and audit:

- i. SUBRECIPIENT shall notify the COUNTY of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by COUNTY to the independent auditor's working papers.
- ii. SUBRECIPIENT is responsible for the completion of audits and all costs of preparing audits.

- iii. If there are audit findings, SUBRECIPIENT must submit a detailed response acceptable to the COUNTY for each audit finding within 90 days from the date of the audit finding.

6. Retention and Inspection of Records:

- A. The SUBRECIPIENT shall maintain all records required by Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP guidance document published on the website and this Agreement, that are pertinent to the activities to be funded under this Agreement. SUBRECIPIENT shall retain records including but not be limited to:
 - i. Records providing a full description of each activity undertaken;
 - ii. Records demonstrating that each activity undertaken meets one of the Objectives of the HEAP program;
 - iii. Records required to determine the eligibility of activities; and
 - iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with FUNDS
- B. SUBRECIPIENT shall retain all records described in Paragraph A for a minimum period of 5 years after the termination of this Agreement.
 - i. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.
- C. SUBRECIPIENT shall allow the COUNTY or its designee to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. SUBRECIPIENT agrees to provide the COUNTY or its designee, with any relevant information requested. The SUBRECIPIENT agrees to permit the COUNTY or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other materials that may be relevant to a matter under investigation for the purpose of determining compliance with the Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP program guidance document published on the website, and this Agreement.

7. Breach and Remedies:

- A. The following shall each constitute a breach of this Agreement:
 - i. SUBRECIPIENT's failure to comply with the terms or conditions of this Agreement.
 - ii. Use of, or permitting the use of, FUNDS for any INELIGIBLE COSTS.
 - iii. Any failure to comply with the deadlines set forth in this Agreement.

B. In addition to any other remedies that may be available to the COUNTY in law or equity for breach of this Agreement, the COUNTY may:

- i. Bar the SUBRECIPIENT from applying for future HEAP funds through the COUNTY;
- ii. Revoke any other existing HEAP award(s) to the SUBRECIPIENT;
- iii. Require the return of any unexpended FUNDS disbursed under this Agreement;
- iv. Require repayment of FUNDS disbursed under this Agreement;
- v. Require the immediate return to the COUNTY of all funds derived from the use of FUNDS including, but not limited to, recaptured funds and returned funds;
- vi. Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with HEAP requirements; and
- vii. Seek such other remedies as may be available under this Agreement or any law.

C. All remedies available to the COUNTY are cumulative and not exclusive.

D. The COUNTY may give written notice to the SUBRECIPIENT to cure the breach or violation within a period of not less than 15 days.

8. Waivers:

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the COUNTY to enforce at any time the provisions of this Agreement, or to require at any time, performance by the SUBRECIPIENT of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the COUNTY to enforce these provisions.

9. Nondiscrimination:

- A. During the performance of this Agreement, SUBRECIPIENT and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment, or deny medical, family care, or pregnancy disability leave, because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, or military and veteran status. SUBRECIPIENT and its subcontractors shall also ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- B. SUBRECIPIENT and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the

applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12900 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. SUBRECIPIENT and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

10. Conflict of Interest:

The Parties are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, may result in this Agreement being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code, sections 10410 and 10411, for State conflict of interest requirements.

- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on their own behalf as an independent contractor with any State agency to provide goods or services.
- B. Former State Employees: For the two-year period from the date they left State employment, no former State officer or employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date they left the State employment, no former State officer or employee may enter into a contract with any State agency if they were employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to their leaving State service.
- C. Employees of the SUBRECIPIENT: Employees of the SUBRECIPIENT shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code section 87100 et seq.

11. Drug-Free Workplace Certification:

Certification of Compliance: By signing this Agreement, SUBRECIPIENT, and its subcontractors, hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and

specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section (8355(a)(1).

- B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace;
 - ii. SUBRECIPIENT's policy of maintaining a drug-free workplace;
 - iii. Any available counseling, rehabilitation, and employee assistance programs; and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- C. Provide, as required by Government Code section 8355(a)(3), that every employee and/or subcontractor who works under this Agreement:
 - 1. Will receive a copy of SUBRECIPIENT's drug-free policy statement, and
 - 2. Will agree to abide by terms of SUBRECIPIENT's condition of employment or subcontract.

12. Child Support Compliance Act:

For any contract or subcontract for FUNDS in excess of \$100,000, the SUBRECIPIENT acknowledges in accordance with Public Contract Code 7110, the following:

- A. SUBRECIPIENT recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. SUBRECIPIENT, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

13. Special Conditions – Contractors/Subcontractor:

- A. SUBRECIPIENT shall comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit D. These conditions shall be met to the satisfaction of the COUNTY prior to disbursement of FUNDS.
- B. SUBRECIPIENT shall ensure that all of its subcontractors are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of FUNDS. Failure to comply with these conditions may be deemed a breach of this Agreement.

- C. Any agreement between SUBRECIPIENT and a subcontractor shall require the subcontractor, if any, to:
- i. Perform the work in accordance with Federal, State and Local housing and building codes, as applicable.
 - ii. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
 - iii. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the SUBRECIPIENT or any of its subcontractor in performing the work or any part of it.
 - iv. Agree to include all the terms of this Agreement in each subcontract.

14. Compliance with State and Federal Laws, Rules, Guidelines and Regulations:

- A. SUBRECIPIENT shall comply with State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and/or related to HEAP and all eligible activities.
- B. SUBRECIPIENT shall also be responsible for obtaining any and all permits, licenses, and approvals required for performing any activities under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the activities. SUBRECIPIENT shall provide copies of permits and approvals to the COUNTY upon request.
- C. SUBRECIPIENT shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental protection, procurement, and safety laws, rules, regulations, and ordinances.

15. Inspections:

- A. SUBRECIPIENT shall inspect any work performed pursuant to this Agreement to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- B. COUNTY reserves the right to inspect any work performed pursuant to this Agreement to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.
- C. Any work by SUBRECIPIENT or by its subcontractors that is determined based on such inspections to not conform to the applicable requirements shall be corrected and may be determined to be a breach of this Agreement by the COUNTY.

16. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the COUNTY, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are and shall be deemed severable.
- B. SUBRECIPIENT shall notify the COUNTY immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the COUNTY.
- C. SUBRECIPIENT shall hold harmless, defend, and indemnify the COUNTY from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the SUBRECIPIENT's performance or nonperformance under this Agreement.

17. Amendments:

- A. The GRANTEE or SUBRECIPIENT may amend this Agreement at any time provided that such amendments makes specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization. Such amendments shall not invalidate this Agreement, nor relieve or release the SUBRECIPIENT from its obligations under this Agreement, unless so expressed in the written amendment.
- B. The GRANTEE may, in its discretion, amend this Agreement to conform with Federal, State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the FUNDS, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both GRANTEE and SUBRECIPIENT.

18. Independent Contractor:

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The SUBRECIPIENT shall at all times remain only a subrecipient of grant funds.

19. Religious Activities:

The SUBRECIPIENT shall not use FUNDS for inherently religious activities such as worship, religious instruction, or proselytization.

**SUBRECIPIENT AGREEMENT
EXHIBIT D**

SPECIAL TERMS AND CONDITIONS

The Parties to the Subrecipient Agreement for San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program (HEAP) Funding for Fiscal Year 2019-20 (this "Agreement"), of which this is Exhibit D.

1. SUBRECIPIENT shall deposit the FUNDS into an interest-bearing account opened by SUBRECIPIENT for the FUNDS.
2. SUBRECIPIENT shall not deposit any other funds into the FUNDS account.
3. SUBRECIPIENT shall provide COUNTY access, upon request, to the FUNDS account for monitoring purposes only, typically via a web portal, and monthly statements from the FUNDS account in addition to the reports required in this Agreement.
4. All proceeds from the interest bearing account must be used for HEAP eligible activities. Consistent with Health and Safety Code Section 50214 (b), no more than 5 percent of the proceeds may be used for general administrative purposes and at least 5 percent of the proceeds must be allocated to establishing or expanding services for homeless youth, as defined in HEAP program documents.
5. Any housing-related activities funded with HEAP funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing, and permanent supportive housing must be in compliance with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).
6. SUBRECIPIENT shall provide the COUNTY access to Homeless Management Information System ("HMIS") data collected and entered into the SUBRECIPIENT's HMIS, upon request, and to participate in any statewide data initiative as directed by the COUNTY, including but not limited to, a statewide data integration environment.

San Joaquin Continuum of Care CA-511 Homeless Emergency Aid Program Application**CONTACT INFORMATION**

Organization Name:	City of Lodi		
Mailing Address:	PO Box 3006	Lodi	95241
	Street	City	
Project/Program Location:	To be determined	Lodi	95241
	Street	City	Zip
Executive Director:	Stephen Schwabauer	sschwabauer@lodi.gov	209-333-6800
	Name	Email	Phone
Contact Person:	Patrice Clemons	pclemons@lodi.gov	209-333-6800 ext. 3404
	Name	Email	Phone
Website:	www.lodi.gov		
DUNS# 946000361	EIN# 94-6000361	Business License# NA	
Type of Agency:	<input type="checkbox"/> 501(c)(3)	<input checked="" type="checkbox"/> Gov't/Public	<input type="checkbox"/> Faith-Based <input type="checkbox"/> Other
Number of paid staff:	2, Project Coordinator and City Manager	Number of volunteers:	5, Committee on Homelessness Members

FUNDING REQUEST

Funding requested in this application:	\$1,521,942	Other funds already secured for the project:	\$338,500
Total cost to complete project:	\$1,867,942	Other funds not yet secured:	\$7,500

REQUIRED ATTACHMENTS

Using the checkboxes below, indicate that all attachments were included with the application at submission:

- ☒ A copy of the project budget showing all funding sources and uses.
- ☒ A copy of the organization's operational budget for the current fiscal year and proposed budget for the 2018 – 2019 fiscal year.
- ☒ A copy of the organization's most recent balance sheet and income and expenditure statement.
- ☒ The most recent audited compilation report performed by a Certified Public Accountant.
- ☒ A determination letter from the Internal Revenue Service confirming 501(c)(3) tax-exempt status.
- ☒ A current roster of the organization's officers and members of its Board of Directors, which includes their name, position held, address, telephone number, and current employer(s).
- ☒ A copy of the organization's mission statement as approved by the Board of Directors.
- ☒ Documentation of the organization's participation or commitment to participate in the local HMIS.
- ☒ A resolution declaring a shelter crisis from the governing body of the jurisdiction in which the project will be located.
- ☒ Additional: Project Timeline Chart

☒ *Additional: MOUs*

PROJECT INFORMATION

1. Provide a brief description of the proposed project for which funds are being requested. (2,500 characters/10 points)

The City of Lodi proposes the Lodi Tiny House Project (Project) which will create approximately five units of permanent supportive housing for homeless individuals and families or those at risk of homelessness.¹ This supportive housing will help homeless individuals/families move from emergency shelters, motel voucher and transitional housing programs, or off the streets into long-term, affordable housing where they can continue their progress toward stable and independent living. The Project also helps those facing a housing crisis and at risk of becoming homeless, such as people experiencing job loss or domestic violence.

The Project will receive tenant referrals from local organizations including Salvation Army, Lodi House, and Women's Center, although more agencies may be added. These referral agencies will provide ongoing support services to those they refer. These agencies estimate that, combined, they will refer 30 residents per year. The Housing Authority of the County of San Joaquin (HA) will supply housing choice vouchers. To be eligible, a tenant may not earn more than 80% of the family median income as required by U.S. Department of Housing and Urban Development (HUD); after a year of being on the voucher, the resident can apply for a tenant-based voucher, so they can move off-site and still use the voucher.

HEAP funds will be used to purchase property, develop the site, and purchase and install manufactured tiny homes. The City has vetted several properties, to be determined as a viable option to purchase/develop. The City will generally oversee the Project, while the HA will implement the Project, including purchasing/owning the property, completing construction of the site, and managing the property.

The City estimates that most residents will move out of the tiny homes and into private, market-rate houses within a few years once they have achieved more stability, income, and independence. This will allow the tiny homes to again become available to those wanting to exit homelessness.

(1) Homeless includes sheltered as defined in San Joaquin County Continuum of Care 2017 Point-In-Time (PIT): person living in emergency shelter, participating in transitional housing programs, or living in motels through voucher program; and includes unsheltered defined as persons living in a place not meant for human habitation.

2. Identify the need gap this proposed project will address. Please provide data and analysis from sources such as the Point in Time Count, the Homeless Management Information System and the Housing Inventory Count that demonstrate this gap. (2000 characters/3 points)

Permanent supportive housing (PSH) is in short supply in Lodi and surrounding San Joaquin County, which makes exiting homelessness more difficult and prevents new space from more readily opening up in shelters and transitional programs. Per the 2017 Point-In-Time (PIT): "There appears to be little room off the streets for the current unsheltered [homeless] population. Data from [HMIS] indicates that many emergency homeless shelters routinely operate at or above capacity. Permanent housing programs for the homeless report continued struggles to find suitable housing for homeless households because of current market forces."

To illustrate this demand for permanent supportive housing, the PIT showed 567 unsheltered homeless in the county, and 88 in Lodi (Committee on Homeless believes 200 is more accurate), who are in need of shelter and assistance. Further exacerbating the capacity shortage, the county had a loss of 230 transitional housing beds in 2017 due to HUD's decision to reduce funding (page 2, PIT); also, 42 beds at a domestic violence shelter were closed for construction.

Of the 985 sheltered homeless, 804 were in emergency shelter and 181 were in transitional facilities. This means that roughly 181 of them (18%) could find new housing in those transitional facilities when openings arise; however, that leaves the 82% with no local transitional program option or at least a long wait. When leaving the shelter, they must find permanent housing that is either private, market rate, or voucher. It takes years and is often difficult to obtain a voucher, which are in short supply. Market-rate units are expensive for those exiting homelessness. For example, the 2016 median rent for multi-family rental in Lodi was \$1,201. Moreover, 98% of extremely low- and 84% of very low-income households were paying more than 30% of their annual income (Lodi 2016 Housing Element).

While the Housing Inventory Count reports 1,052 permanent housing beds countywide, Lodi has far fewer at only 8 units of affordable housing offered by the HA and approximately 148 tenant-based vouchers.

3. How will this project address the need gap identified in the answer above? (2000 characters/2 points)

With the shortage of affordable and supportive housing options, the Project will help individuals/families end the cycle of homelessness. When individuals/families experience homelessness they face many obstacles that can take years and added resources to overcome. Even after completing a transitional living housing program or receiving services, an individual/family may still be at risk of returning to homelessness, especially if they are unable to find affordable housing in their community. These people face continuing challenges such as inability to afford rent, lack of positive rental history, poor credit scores, financial debt, stable employment history, educational training to increase income, medical expenses, and continued access to emotional/mental health counseling services. For this reason, this Project will provide ongoing supportive services to its residents, potentially including continued access to resources, therapy, food/clothing/household supplies, and case managers.

Rental assistance vouchers will also be provided so that residents do not pay more than 30% of their monthly income to rent. The voucher will cover the difference between actual rent (approximately \$700 to \$826) and up to 30% of their monthly income. By making rent affordable, residents will be able to save money, pay debts, establish rental history, and improve their credit score. Affordable housing also creates the type of stability where residents can better maintain employment, build on skills/education, continue accessing support/counseling services, be invested in a community, and create emotional well-being. If homeless individuals/families cannot find affordable rent, then they must relocate to another community, away from structures and support systems they've developed and rely upon. Moving to a new community may mean changing schools, jobs, and access to affordable transportation, and overall puts them at risk of returning to homelessness.

4. Does this project serve the unsheltered homeless? Please explain. (1000 characters/5 points)

This Project will serve unsheltered homeless, although it is more likely that sheltered homeless will move in. Unsheltered homeless are likely to first seek services for their most urgent needs (e.g., food, shelter, income assistance). Sheltered homeless are at high risk of returning to homelessness without long-term supportive services/housing. When people are ready to move on from shelters/transitional programs, they are often unable to secure affordable housing. If they are not able to find affordable housing, they often stay in the poverty. At least three local agencies will provide referrals for residents to live in the Project. These agencies might refer from their shelters, transitional programs, or other situations, so long as the agency believes the individual/family would income qualify and be able to progress toward independence, given some supportive services. The Project will not provide the more intense, on-site case management typically seen in transitional programs.

5. Does this project focus on serving another special subpopulation prioritized by the CoC? Please describe the characteristics of the special population being served. (500 characters/1 point)

Both the Lodi House and Women's Center will refer women from their programs, many of whom have escaped domestic violence. The agencies may also refer chronically homeless. As noted above, since Lodi does not currently have many affordable housing options, homelessness has become a longer, chronic condition. The Women's

Center estimates it can refer six individuals per year to the Project; five referrals from Lodi House; and twenty from Salvation Army, for a total of 30.

6. Describe how this project aligns with the Housing First model of service delivery. (500 characters/2 points)

Based on WIC 8255(b) and NAEH, this Project prioritizes housing for people experiencing homelessness by offering vouchered permanent units and voluntary support services, so that housing can be used to create stability and as a platform to pursue personal goals. The Project prioritizes referrals from local agencies so that residents can continue their progress and use of support systems that they have already established through those agency services, shelters, and transitional programs.

7. Does your organization currently participate or plan to participate in the local HMIS? If so, provide documentation of participation or a written commitment to participate as an attachment. (2 points)

Lodi plans to participate in the local HMIS as needed to comply with this grant. HA participates in HMIS as the VASH administrator for San Joaquin County. HA provides rental assistance for up to 254 veterans and families in partnership with the Palo Alto office of the Veterans Administration. Data is tracked as participants housed as well as veterans who have been issued a VASH voucher currently seeking an apartment. Additionally, if needed, all three referral agencies plan to participate in the local HMIS. Note: Proof of HMIS participation was not provided through printed report due to confidentiality and no administrative page was available to print.

8. Does your organization currently participate in the CoC. Please explain. (500 characters/2 points)

Lodi City Manager participates in the CoC by attending meetings, providing feedback, and bringing updates to City Council. Members of the Lodi Committee on Homelessness, including Salvation Army, participate in the Ad Hoc Governance Committee, attend County Homelessness Task Force meetings, and sit on the CoC Board. HA has participated in the Homelessness Task Force and Ad Hoc Governance Committee, and will sit on CoC Board. Referral agencies voiced interest in participating more often.

9. Describe your organization's experience and history managing similar projects within the community. (2000 characters/5 points)

The City of Lodi, incorporated in 1906, has 390 full-time employees with a budget of \$200 million, and has provided oversight and direct implementation over numerous development projects. Lodi's Public Works and Community Development Departments team up to plan, design, engineer, construct, and essentially complete every aspect of development. Additionally, under the CDBG program, the City has overseen several projects over last two years, including: City Hall Annex, for major renovations to City's fire and parks facilities; Kofu Park improvements, for new parking and pedestrian sidewalk; HA Washington Street Improvements, for energy upgrades and siding repairs to affordable housing complex. Lastly, the City assisted Eden Housing with efforts to secure funding for development of an 80-unit, affordable senior housing project, which was completed in 2017.

HA is a public corporation with an operating budget of \$51M and 82 employees, and provides rental assistance to over 6,000 households in the county. HA has many development projects currently under way. It has 115 units of LIHTC housing with building delivery beginning January. Its next phase of 100 units are scheduled to close in March 2019. Between the two phases, project costs are roughly \$80M. HA has also partnered on a downtown 34-unit Stockton project. It recently closed a senior project in Manteca with the same developer partner for 48 units with 4% tax credits. HA has a \$3.5M award from BHS to produce 35 units of housing with MHSA funds. HA purchased new administrative headquarters where it is renovating 18,000 square feet and will produce 27 units of housing for BHS in a former HA buildings with 20 years of project-based subsidy. It has an 11-unit property in Stockton that will also be renovated. Plan check is under way for work to begin early 2019. Attached is a link from Sierra Vista project from June. https://www.youtube.com/watch?v=Pgw_I2WbxK8&t=4s.

10. Describe the services your organization currently delivers within the community. (2000 characters/5 points)

The City has provided years of service to its residents, including library, parks and recreation, police, fire, public works, building, planning, electric utility, transit service, water and waste services. Through its CDBG grant, the City funds agencies to provide additional services, such as fair housing, gang prevention, youth and family counseling, food distribution, and assistance for homelessness. Moreover, the City processed entitlements for 210 single-family homes, 80 senior low-income apartments (Cranes Landing), 156 market-rate apartments (Rubicon), and 143 senior living apartments (Revel). The City anticipates another 200 single-family homes and 156 multi-family units built in 2018-19.

HA provides rental assistance for over 6,000 households in the county, including Lodi. In Lodi, HA has 2 multi-family properties with a total of 8 units. It also provides tenant-based housing choice vouchers to 148 households in Lodi.

HA manages three migrant family farm labor housing developments for the Office of Migrant Services, a division of California Department of Housing and Community Development. A total of 97 units are located on Harney Lane adjacent to the city. This housing is available from March through the end of December of each year. Child care centers are provided for farmworkers at the sites.

Lodi House's transitional housing program provides counseling and shelter to women and children. Families have an opportunity to build a budget, manage savings account, and gain skills in life/home management.

Salvation Army provides emergency lodging, hot meals, and clothing. It also has an Adult Rehabilitation Center where clients are preparing to reenter the community.

Women's Center operates two undisclosed emergency shelters for victims of domestic violence and their children. Multiple services are provided along with therapy, parenting classes, case management, life skills training, and employment readiness.

11. Does the proposed project produce new units of low-barrier permanent housing or new units of low-barrier emergency shelter space, or provide new rental assistance for permanent housing? Please explain. (1000 characters/5 points)

This Project brings new units of permanent supportive housing to the Lodi community. This Project adds five affordable units with no obligation to participate in a program on-site, though supportive services will be offered by referring agencies. This is so the resident can continue to receive support and access the resources that have helped them grow in their independence. A resident's continued participation in support services, though limited, can help them further establish stability in their home and personal life. HA will provide housing choice vouchers so that the units maintain their affordability to tenants (no more than 30% of household income can be spent on rent; instead the voucher will cover the difference).

Permanent supportive housing is "an intervention that combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people." It "can also increase housing stability and improve health." (Source: <https://endhomelessness.org/ending-homelessness/solutions/permanent-supportive-housing/>).

12. How many unduplicated clients will the proposed project serve (placed in shelter, permanent housing, etc.)? Please provide the ratio of cost per client served relative to HEAP funds requested and explain how you arrived at that ratio. (1500 characters/5 points)

Approximately three studios (420 sq. ft. each) and two one-bedroom units (588 sq. ft. each) will be provided. Studios house no more than two persons, and one-bedrooms house no more than three persons. Given that, 5 to 12 persons could be living on the Project site at one time. The City anticipates that all units will be full, given the City's three partnering agencies—Lodi House, Salvation Army, and Women's Center—will have a combined total of approximately 30 referrals per year. This is more than enough to fill the five units, and to create a waitlist. Should referrals drop, other local agencies will be considered. Also, every year a certain portion of residents (20%, or one resident per year) will likely move on to new housing. So, within a one-year period, anywhere from 6 to 15 residents will live at the property or an average of 11 residents.

In year one, the ratio of cost per clients served is 1 to \$150,038, by dividing \$1,650,442 total acquisition/construction project costs by average number of tenants over one year, $11 (6 + 15) / 2 = 11$). However, the cost per client in year and beyond two dramatically decreases due to the acquisition and construction cost being paid. The HA will continue to pay for management of the properties through the rent and vouchers, and no additional funds will be needed to cover the expenses.

13. Explain how this project will meet Communitywide System Performance Goals as adopted by the CoC HEAP Committee. See below for a list of these goals. (2000 characters/5 points)

CoC Goal #2: This PSH project will help reduce by 20% the number of persons who return to homelessness through the strategy of prevention. Individuals/families who move into the tiny homes will continue to have support services provided to them by the agencies that referred them. This will help them navigate through potential personal or financial crises that would otherwise cause them to lose housing but for this PSH project. Vouchers will also be provided to each household so that they can afford rent (paying up to 30% of their income for rent). Spending less on rent means people can continue to build savings and pay down debt. This will be measured by tracking where tenants plan to live when they leave (are they entering market-rate unit, using a tenant-based voucher, etc.).

CoC Goal #4: This Project will help tenants both increase their earned income from a job by 10% and increase their overall income by 65%. Their reduced rent creates affordable and more stable housing which in turn both allows tenants to keep/focus on a job long enough to strengthen/improve their skills, and helps them pay for/access transportation consistently so that they reliably get to work. Affordable rent will also help tenants save more cash for retirement, savings, or investing. This will be tracked by comparing employment income and overall income from the initial income verification compared to ongoing annual verifications.

CoC Goal #7: This PSH project will aim to have a housing stability measure of at least 85% by providing ongoing support and long-term housing for those that continue to income-qualify. This will be measured by looking at the number of current tenants, those moving on, and those staying in the units each year.

HA uses several tools to track the above including HUD 50058 form, annual income recertifications, and end of participation details.

14. Provide a timeline of how the proposed project will be delivered. Please explain how this timeline will be met by your organization and its capacity to spend all allocated funds within the HEAP timeline. (2000 characters/5 points)

The Project timeline is approximately 18 months, from January 2019 through June 2020. Beginning in January 2019, Lodi and its partners will enter into discussions and agreements regarding the HEAP grant. In March, HA will begin procurement of a design consultant. By the end of 2019, the plans and designs should be approved by City and the project should be out to bid for construction contractors. The City will submit its first HEAP report in January 2020. Site work will begin in early spring and construction should finish in May. Tenants should be able to move in soon after. Project cost reimbursement and closeout will then begin.

The City will generally oversee the project; however, HA will oversee project implementation from beginning to end, starting with design and when site is completed and tenants occupy the units. HA will continue to manage and maintain the property.

Existing FTE staff from Building, Planning, and Public Works Departments will cover entitlement and permit processes. Given the small number of units, no additional employees are anticipated. As for overall HEAP grant coordination, the City anticipates approximately 410 hours over the course of this project, which is the equivalent of 10% FTE each year for two years. The City has no problem bringing on staff/consultants to supplement staff as necessary. In the past, the City has quickly adjusted staffing needs to address capacity demands, and has consultant contractors readily available for such circumstances.

HA anticipates that the executive leadership team and a four-person construction/development team will have the existing capacity to take on implementation of this Project. No new hires are anticipated at this time.

The three referral agencies have stated that they will provide ongoing support services to those that they refer, and will not need additional HEAP or other grant funding, as they have sufficient funding currently to support this Project. (See Attachment)

15. Explain how the proposed project will continue after all HEAP funds are expended. (2000 characters/5 points)

This Project will continue with minimal to no issues once the funding has been expended. Funding will be used for the purchase of land, tiny houses, infrastructure, and installation of tiny houses. There are no expected costs for ongoing supportive services provided to the individual residents. Ongoing maintenance of the property and tiny houses will be addressed through the rental income and the property management company (provided by HA). Because the project will have no debt after HEAP funds are used to pay for all site and construction costs, the units are essentially operated without debt payments—thereby reducing the cost to maintain and manage the units to an amount feasibly supported by the housing choice voucher program, plus cost of income from rents.

16. Explain how the proposed project will operate if the project is awarded less than its requested funding total through HEAP. (1000 characters/0 points tiebreaker)

The ongoing costs to operate the tiny homes is based on the debt-free aspect of the Project. Should HEAP funds be insufficient to cover total Project costs, the City would obtain additional funding in order to maintain the debt-free model. The City may be able to apply for HUD grant funds. However, obtaining those supplemental funds would be essential to completing the total visions for this project. If those additional funds are not procured in time, the scope of the Project would be reduced and HEAP funds would be prioritized to first cover the purchase of the property, then site development, and lastly, the purchase and installation of tiny homes. Cutbacks may result in fewer tiny homes being installed, instead of the planned five; however, the City would continue fundraising until all five units could be installed.

AUTHORIZED SIGNATURE OF APPLICANT: TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL INFORMATION IN THIS APPLICATION IS TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT WHO WILL COMPLY WITH ALL CONTRACTUAL OBLIGATIONS IF THE PROPOSAL IS AWARDED FUNDING. BY SIGNING BELOW, I HEREBY CERTIFY THAT THE AGENCY WILL COMPLY WITH ALL PROVISIONS OF THE STATE OF CALIFORNIA HOMELESS EMERGENCY AID PROGRAM, AS WELL AS ALL APPLICABLE FEDERAL, STATE AND LOCAL STATUTES AND ORDINANCES.

SIGNATURE OF AUTHORIZED REPRESENTATIVE:



TYPED NAME: Stephen Schwabauer

DATE SIGNED: November 16, 2018

TITLE: City Manager, City of Lodi